

## Foreign Agricultural Service *GAIN* Report

Global Agriculture Information Network

Voluntary Report - public distribution

GAIN Report #CH1625

Date: 10/31/2001

# China, Peoples Republic of ATO ACTIVITIES reports

## Promotion of Californian Food in Hong Kong 2001

Approved by: **Samuel Wong U.S. Embassy** Prepared by: Samuel Wong

### **Report Highlights:**

The Promotion of Californian Food in Hong Kong offers an opportunity for South China buyers to know new product sources.

Includes PSD changes: No Includes Trade Matrix: No Unscheduled Report Guangzhou [CH3], CH

#### Promotion of Californian Food in Hong Kong

This is <u>not</u> an evaluation report of the promotional activity. The activity is not related to the UES of ATO/GZ. The report is an assessment of the worthiness of the visit and how the visit is related to the market promotion efforts of ATO/GZ.

The promotion of Californian Food is held in the Great Food Hall, Hong Kong between Friday, October 26<sup>th</sup> and Sunday, November 11<sup>th</sup>. The California's Office of Trade and Investment in Hong Kong is the organizer of the promotion. ATO/GZ Director attended the promotion on Saturday October 27<sup>th</sup> and Sunday October 28<sup>th</sup> to assess the interest of U.S. food manufacturers in the South China market with the intention of recruiting them for the New Products Promotion.

Products from more than 50 different food manufacturers were on display and for sale in the Great Food Hall. They included wine, tea and coffee, condiments, fresh and processed meat products, candies, fresh produce and live seafood, snacks and beverages, dried nuts and seasoning ingredients. Brand names such as

Beringer, Mondavi, Olivier, Harris, Zambia, Ghirardelli, Torn Ranch, Betty Crocker, Terra, Sunkist, Crystal Clear, Arrowhead, among others, were prominently present.

ATO/GZ Director plans to work with the California's Office of Trade and Investment to recruit some of the participants of the Hong Kong promotion for the New Products Promotion in Guangzhou in this or the next UES cycle. ATO/GZ is convinced that introducing new products to the market is the correct strategic decision. We need to work with interested U.S. exporters to meet the challenges of the South China market.

The key challenges are the issues on labeling and in-country representation. Unlike the promotion in Hong Kong, products entering China will have to have Chinese labeling and an agent in China responsible for them. The GZ office will discuss the details of the New Product Promotion with the California's Office after the end of the current promotion.

Not knowing what products are available from the United States and which U.S. manufacturers are interested in the China market are two primary obstacles against the South China traders. In addition, U.S. exporters do not seem interested in visiting the Guangzhou market, and Chinese buyers, for various reasons, have difficulties visiting the United States.

A promotion of U.S. food across the border offers an excellent opportunity for South China traders to have exposure to new product sources. ATO/GZ Director has already contacted three local importers from Guangzhou and Zhuhai about the Hong Kong promotion and urged them to visit the Great Food Hall for products they might import to South China.

He will also recruit and accompany a group of local promoters to visit the Great Food Hall for ideas on in store promotion of U.S. products before the end of the current promotion. However, as these promoters need to obtain travel clearance from the local government before they can travel to Hong Kong, we are uncertain how many will be able to make the trip.

This visit to the Californian promotion has highlighted a hitherto unexplored area of cooperation

between ATO/GZ and ATO/HK. ATO/GZ will explore the potential with ATO/HK in the near future.

The visit is funded under ATO/GZ's UES activity, "Trade Show in China."